

lease or a fringe acreage lease under subpart 3508 or 3510 of this part.

(d) *Permits issued under the authority of Reorganization Plan No. 3 of 1946.* Prospecting permits for minerals BLM administers under the authority of Reorganization Plan No. 3 of 1946 do not entitle you to a preference right lease. We may grant you a noncompetitive lease if you discover a valuable deposit during the permit term.

**§ 3507.15 How do I apply for a preference right lease?**

No specific form is required. Submit three copies of your application within 60 days after the date your prospecting permit expires or the date BLM denies your request for a permit extension filed under § 3505.64 of this part, whichever is later.

**§ 3507.16 Is there a fee or payment required with my application?**

Yes. You must submit the first year's rental with your application according to the provisions in § 3504.15 of this part. BLM will also charge a processing fee on a case-by-case basis as described in § 3000.11 of this chapter.

[70 FR 58877, Oct. 7, 2005]

**§ 3507.17 What information must my preference right lease application include?**

Your application must contain:

- (a) A statement of your qualifications and holdings as specified in subpart 3503 of this chapter;
- (b) Three maps showing:
  - (1) Utility systems;
  - (2) The location of any proposed development or mining operations and incidental facilities;
  - (3) The approximate locations and the extent of the areas you will use for pits, overburden and tailings; and
  - (4) The location of water sources or other resources which you may use in the proposed operations or incidental facilities;
- (c) A narrative statement addressing:
  - (1) The anticipated scope, method and schedule of development operations, including the type of equipment you will use;
  - (2) The method of mining anticipated, including the best available esti-

mate of the mining sequence and production rate; and

(3) The relationship, if any, between the planned mining operations and existing or planned mining operations and facilities on adjacent Federal or non-Federal lands;

(d) Financial information which will enable us to determine if you have found a valuable deposit. Include at least an estimate of projected mining and processing costs, saleable products and markets, and projected selling prices;

(e) A complete and accurate description of the lands as found in your prospecting permit, if your application is for less than the lands covered by your prospecting permit; and

(f) Other data, as we may require.

**§ 3507.18 What do I need to submit to show that I have found a valuable deposit?**

To show you have found a valuable deposit, send us the information listed in § 3593.1 of this part. You must have collected the data during the term of the prospecting permit, but you may refer to prior geologic work. BLM may request supplemental data from you to determine the following:

- (a) The extent and character of the deposit;
- (b) The anticipated mining and processing methods and costs;
- (c) Anticipated location, kind and extent of necessary surface disturbance;
- (d) The measures you will take to reclaim that disturbance;
- (e) An estimate of the profitability of mineral development; and
- (f) Whether there is a reasonable prospect of success in developing a profitable mine.

**§ 3507.19 Under what circumstances will BLM reject my application?**

(a) BLM will reject your application for a preference right lease if:

- (1) You did not discover a valuable deposit of mineral(s) covered by the prospecting permit;
- (2) You did not submit requested information in a timely manner;
- (3) You did not otherwise comply with the requirements of this subpart; or